

PERETORE & PERETORE, P.C.
 191 Woodport Road
 Sparta, New Jersey 07871
 (973) 729-8991
 Attorneys for Leaf Funding, Inc.

/s/ Frank Peretore, Esq.

Frank Peretore, Esq.
 FP #7020

UNITED STATES DISTRICT COURT
 SOUTHERN DISTRICT OF NEW YORK

LEAF FUNDING, INC.,	:	Case Number: 07 CIV 10337
Plaintiff,	:	Judge Sweet
v.	:	
ALLIANCE ENVIRONMENTAL TECHNOLOGIES, INC., JAMES SOLANO, LIGITA SOLANO ALLIANCE TECHNOLOGY GROUP, INC. and ATG EQUIPMENT, INC.,	:	ECF CASE
Defendants.	:	

SIRS:

PLEASE TAKE NOTICE that the attached ORDER AND DEFAULT JUDGMENT of which the
 within is a true copy will be presented for settlement to the Honorable Robert W. Sweet of the Federal
 Court of New York, Southern District on July 3, 2008.

Dated: Staten Island, New York

/s/ Frank Peretore, Esq.

Frank Peretore, Esq.
 PERETORE & PERETORE, PC
 Attorneys for Plaintiff
 110 Park Street
 Staten Island, New York 10306
 (718) 667-8785

TO: Alliance Environmental Technologies, Inc.
 490 East 132nd Street
 Bronx, New York 10454

James Solano
421 North Long Beach Road
Rockville Centre, New York 11570

Ligita Solano
421 North Long Beach Road
Rockville Centre, New York 11570

Alliance Technology Group, Inc.
490 East 132nd Street
Bronx, New York 10306

ATG Equipment, Inc.
c/o Ligita Solano
421 North Long Beach Road
Rockville Centre, New York 11570

PERETORE & PERETORE, P.C.
 191 Woodport Road
 Sparta, New Jersey 07871
 (973) 729-8991
 Attorneys for Leaf Funding, Inc.

/s/ Frank Peretore, Esq.
 Frank Peretore, Esq.
 FP #7020

UNITED STATES DISTRICT COURT
 SOUTHERN DISTRICT OF NEW YORK

-----x		
LEAF FUNDING, INC.,	:	Case Number: 07 CIV 10337
Plaintiff,	:	Judge Sweet
v.	:	ECF CASE
ALLIANCE ENVIRONMENTAL TECHNOLOGIES, INC., JAMES SOLANO, LIGITA SOLANO	:	ORDER AND DEFAULT JUDGMENT AS AGAINST
ALLIANCE TECHNOLOGY GROUP, INC. and ATG EQUIPMENT, INC.,	:	DEFENDANTS ALLIANCE ENVIRONMENTAL TECHNOLOGIES, INC.,
Defendants.	:	ALLIANCE TECHNOLOGY GROUP, INC. and ATG EQUIPMENT, INC.
-----x		

This matter having come before the Court by motion of counsel for the plaintiff ("Leaf Funding") seeking entry of default judgment pursuant to Federal Rule of Civil Procedure 55(b)(2) against the defendants for failure to answer or otherwise move in response to the Complaint which

was duly served upon them; and said defendants being in default of payment obligations to the plaintiff and the defendants; and the plaintiff having submitted an Affidavit of Amount Due and Non-Military Service and pursuant to Judge Sweet's decision, judgment is hereby entered against the corporate defendants, to wit, Alliance Environmental Technologies, Inc., Alliance Technology Group, Inc. and ATG Equipment, Inc.;

THE COURT FINDS:

1. This Court has jurisdiction of the subject matter of all counts of this action and over all the parties hereto.
2. The defendants, Alliance Environmental Technologies, Inc., Alliance Technology Group, Inc. and ATG Equipment, Inc. were duly served with the Summons and Complaint.
3. The time to respond to the Summons and Complaint has expired and the defendants failed to respond.
4. A default judgment in this action is hereby to be entered in favor of Leaf Funding, Inc. and against Alliance Environmental Technologies, Inc., Alliance Technology Group, Inc. and ATG Equipment, Inc., jointly and severally.

IT IS, THEREFORE ORDERED AND ADJUDGED, that Leaf Funding, Inc. recover from, Alliance Environmental Technologies, Inc., Alliance Technology Group, Inc. and ATG Equipment, Inc., jointly and severally, the sum of \$265,439.43 plus attorneys' fees in the amount of \$4,912.09 for a total of \$270,351.52; and it is further

ORDERED, that plaintiff shall have immediate and permanent title and possession to the

equipment ("the equipment") subject to the transactions described in the Complaint and motion papers, which has not been returned to plaintiff, and which is described on **EXHIBIT A** hereto; and it is further

ORDERED, that the defendants Alliance Environmental Technologies, Inc., Alliance Technology Group, Inc. and ATG Equipment, Inc., shall properly maintain said equipment and return it to plaintiff or its agents within five (5) days hereof and fully cooperate in said return; and it is further

ORDERED, in the event that plaintiff takes possession of the equipment, plaintiff shall attempt to dispose of said personal property in a commercially reasonable manner in accordance with the New York Uniform Commercial Code and the net proceeds from said sale, if any, after deduction of reasonable expenses of retaking, holding, preparing for sale, selling and the like, shall be applied to reduce the amount of the Judgment herein; and it is further

ORDERED, that a copy of this Order and Judgment shall be served upon defendants within _____ days of receipt of same by plaintiff's counsel.

SO ORDERED, this _____ day of _____, 2008.

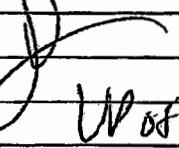
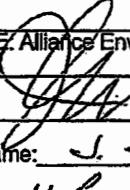
Honorable Robert Sweet, United States District Judge

EXHIBIT A

ATTACHMENT A
 TO MASTER LEASE SCHEDULE NO. 1
 ISSUED PURSUANT TO THAT CERTAIN MASTER LEASE
 AGREEMENT DATED APRIL 11, 2006
 BY AND BETWEEN
 ALLIANCE ENVIRONMENTAL TECHNOLOGIES, INC. ("LESSEE") AND
 LEAF FUNDING, INC. ("LESSOR")

SYSTEM DESCRIPTION:

1 – 2001 Freightliner – Mdl:ML60 w/24' Morgan body (VIN# 1FVABPAK71HH00034)
 10- 2005 Cheetah Double Drop Trailers (Vin #s: 5EF2SC4075B761298, 5EF2SC4095B761299, 5EF2SC4015B761300,
 5EF2SC4035B761301, 5EF2SC4005B761305, 5EF2DF4205B761186, 5EF2DF4235B761179, 5EF2DF42X5B761180,
 5EF2DF4225B761187, and 5EF2DF4245B761188)

LESSOR: LEAF FUNDING, INC.	LESSEE: Alliance Environmental Technologies, Inc.
By: 	By: 
Print Name: <u>VP of Ops</u>	Print Name: <u>J. Soren</u>
Title: <u>VP</u>	Title: <u>V.P</u>
Date: <u>4/27/06</u>	Date: <u>4-14-06</u>



SCHEDULE A TO
Restructure of Lease Agreement,
Dated November 27, 2006
BY Alliance Environmental Technologies, Inc.
("Lessee")
IN FAVOR OF LEAF FUNDING, INC.
COLLATERAL DESCRIPTION:

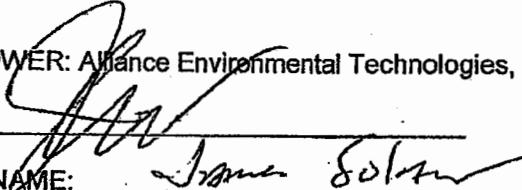
ATG Containers S/N#:

AWIN 6603
AWIN 6512
AWIN 6989
AWIN 6053
AWIN 6697
AWIN 6170
AWIN 6852
AWIN 6826
AWIN 7245
AWIN 6895
AWIN 6616
AWIN 6617

Collateral Location:

ATG Equipment, Inc
55 Fulkerson Drive
Waterbury, CT 06708

BORROWER: Alliance Environmental Technologies, Inc.

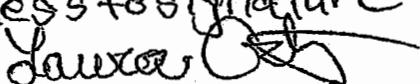
BY: 

PRINT NAME: James Soltz

TITLE:

DATE: 11/30/06

witness to signature


LAURA ORTIZ
Notary Public, State of New York
No. 01OR5052644
Qualified in Queens County
Commission Expires Nov. 27, 2009

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]
 Phone (800) 331-3282 Fax (818) 662-4141

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

UCC Direct Services
 P.O. Box 29071
 Glendale, CA 91209-9071

IMAGE REFLECTS DATA FROM AN ELECTRONIC FILING

L NY, Secretary of State

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME			
OR 1b. INDIVIDUAL'S LAST NAME Solano			
1c. MAILING ADDRESS 421 North Long Beach Road		FIRST NAME James	MIDDLE NAME J.
		CITY Rockville Center	STATE NY POSTAL CODE 11570 COUNTRY US
1d. TAX ID #: SSN OR EIN 084-34-9804	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION	1f. JURISDICTION OF ORGANIZATION
1g. ORGANIZATIONAL ID #, if any <input type="checkbox"/> NONE			

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME			
OR 2b. INDIVIDUAL'S LAST NAME Solano			
2c. MAILING ADDRESS 421 North Long Beach Road		FIRST NAME Ligita	MIDDLE NAME I.
		CITY Rockville Center	STATE NY POSTAL CODE 11570 COUNTRY US
2d. TAX ID #: SSN OR EIN 049-52-2366	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION
2g. ORGANIZATIONAL ID #, if any <input type="checkbox"/> NONE			

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME LEAF Funding, Inc.			
OR 3b. INDIVIDUAL'S LAST NAME			
3c. MAILING ADDRESS 1818 Market St., 9th Floor		FIRST NAME	MIDDLE NAME
		CITY Philadelphia	STATE PA POSTAL CODE 19103 COUNTRY US

4. This FINANCING STATEMENT covers the following collateral:
 All "equipment" and "inventory" (as such is defined in the UCC) of the Debtors now owned or possessed or hereafter acquired, whether new or used, together with any additions, accessories and accessions now or hereafter attached thereto, substitutions therefor and proceeds thereof, and including, without limitation, all proceeds of any insurance covering the equipment and inventory, all tangible and intangible personal property owned or possessed by Debtors, all cash, cash equivalents, accounts, accounts receivable, contract rights, chattel paper, customer lists, goodwill and all proceeds of same. Debtors may not dispose of any of the Collateral without the prior written consent of Secured Party, notwithstanding the fact that proceeds constitute a part of the Collateral.

5. ALTERNATIVE DESIGNATION [if applicable]: LESSEE/LESSOR CONSIGNEE/CONSIGNOR BAILEE/BAILOR SELLER/BUYER AG. LIEN NON-UCC FILING

6. This FINANCING STATEMENT is to be filed [or record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (if applicable) ADDITIONAL FEE (optional) All Debtors Debtor 1 Debtor 2

8. OPTIONAL FILER REFERENCE DATA 10040954

Philadelphia

21356903

PERETORE & PERETORE, P.C.
 191 Woodport Road
 Sparta, New Jersey 07871
 (973) 729-8991
 Attorneys for Leaf Funding, Inc.

/s/ Frank Peretore, Esq.
 Frank Peretore, Esq.
 FP #7020

UNITED STATES DISTRICT COURT
 SOUTHERN DISTRICT OF NEW YORK

-----x		
LEAF FUNDING, INC.,	:	Case Number: 07 CIV 10337
Plaintiff,	:	Judge Sweet
v.	:	ECF CASE
ALLIANCE ENVIRONMENTAL TECHNOLOGIES, INC., JAMES SOLANO, LIGITA SOLANO	:	AFFIDAVIT OF MAILING
ALLIANCE TECHNOLOGY GROUP, INC. and ATG EQUIPMENT, INC.,	:	
Defendants.	:	

STATE OF NEW JERSEY :
 : SS.:
 COUNTY OF SUSSEX :

I, Marlene Meyers, am over 18 years of age and am not a party to this action, being duly sworn
 according to law, SAY:

1. On June 18, 2008, I mailed a copy of the Notice of Settlement, proposed Order, and

Affidavit of Mailing, to the defendants as follows:

Alliance Environmental Technologies, Inc.
 490 East 132nd Street

Bronx, New York 10454

James Solano
421 North Long Beach Road
Rockville Centre, New York 11570

Ligita Solano
421 North Long Beach Road
Rockville Centre, New York 11570

Alliance Technology Group, Inc.
490 East 132nd Street
Bronx, New York 10306

ATG Equipment, Inc.
c/o Ligita Solano
421 North Long Beach Road
Rockville Centre, New York 11570

which were deposited into a United States Mail Depository located at 1 Main Street, Unionville, New York 10988.

/s/ Marlene Meyers
Marlene Meyers

Sworn to and subscribed
before me this 18th day
of June, 2008.

/s/ Erin C. Clayton
Erin C. Clayton
Notary Public of New Jersey
My Commission Expires 05/16/2011